

independent of the manner in which the initial price is first set. In fact, any technique may be used in setting the initial price of the first portion of shares to be offered, including, for example, those techniques taught in Traub (both Monte Carlo and SOBOL), as well as the Dutch auction technique and conventional underwriting methods, or any combination thereof. Applicants submit, however, that none of these techniques have been used as part of a serially staged IPO as per the present invention.

To clarify the differences between the present invention and cited references, Applicant has amended the pending independent claims. In particular, the preamble of claim 1 has been amended to clarify that the claim is directed to a “method for offering shares of stock of a privately-held company to the public as part of an initial public offering.” In addition, claim 1 has been amended to clarify that the stock is offered to public investors. Independent claim 15 has been amended in a similar fashion.

The Office Action states “it is inherent [in Traub] to offer a second portion of the shares at a second price after the computed estimate based on either Monte Carlo Technique or SOBOL to determine the second price.” Applicant submits that this step is not inherent in Traub as part of an initial public offering. Traub discloses using the calculated estimate of the security for setting an initial offering price or for making a buy/hold/sell determination. Applicant submits, however, that Traub does not disclose nor suggest offering a second portion of shares of the initial public offering to public investors at a second price after a trading interval of a predetermined time period after the offering of the first portion.

Therefore, Applicant submits that claim 1, as amended, as well as claims 2-14 which depend therefrom, are not anticipated by Traub. In addition, for analogous reasons, Applicant

submits that independent claim 15, as amended, as well as claims 16-19 which depend therefrom, are not anticipated by Traub.

Applicant herewith encloses a petition for a three-month extension under 37 C.F.R. § 1.136 and check for the requisite fee as set forth in 37 C.F.R. § 1.17(a).

CONCLUSION

Applicants respectfully request a Notice of Allowance for the pending claims in the present application. If the Examiner is of the opinion that the present application is in condition for disposition other than allowance, the Examiner is respectfully requested to contact the undersigned at the telephone number listed below in order that the Examiner's concerns may be expeditiously addressed.

Respectfully submitted,


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VERSION WITH MARKINGS TO SHOW CHANGES MADE

In the Specification

The title of the application has been replaced with the following rewritten title:

A SERIALLY STAGED, INITIAL PUBLIC STOCK OFFERING METHOD

In the Claims

The claims have been amended as follows:

1. (Amended) A method for offering shares of stock of a privately-held company to the public as part of an initial public offering, comprising:
offering a first portion of the shares of the stock of the initial public offering to public investors at a first price; and
offering a second portion of the shares of the initial public offering to public investors at a second price after a first trading interval of a first predetermined time period after the offering of the first portion.

15. (Amended) A method for offering shares of stock of a privately-held company to the public as part of an initial public offering, comprising:
offering a plurality of portions of the shares of the stock of the initial public offering to public investors over a plurality of serial offering stages, such that the offering stages are separated by at least one trading interval of a predetermined time period; and
trading at least one portion of the shares during the at least one trading interval.